

European Labour Market Trends

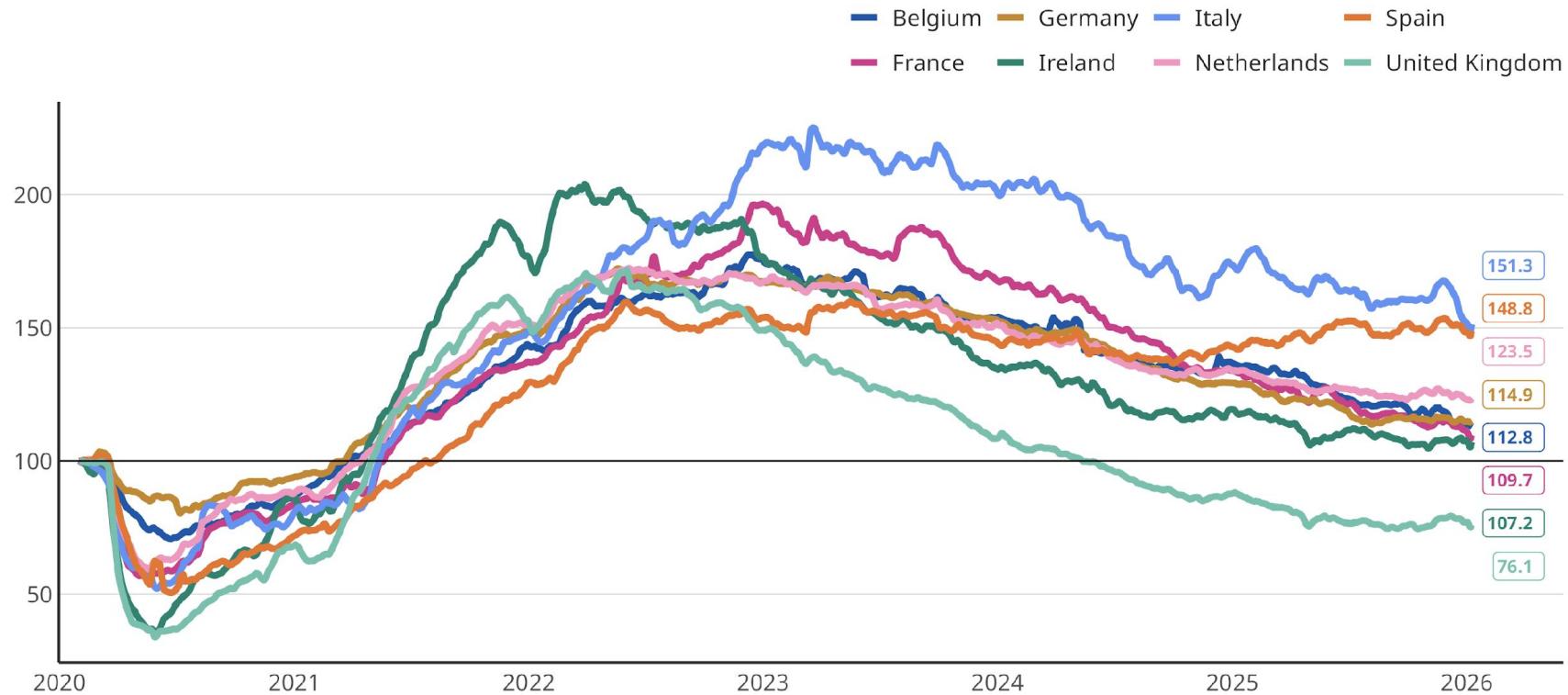
January 2026

Europe: Labour Market Overview

- European labour markets continue to loosen, especially the larger European economies. But the decline in job postings is slowing down in several countries.
- Job postings are declining across occupations: The share of occupational categories in which postings are still higher than before the pandemic has decreased in the past year.
- High-remote occupations have seen the largest decreases in postings.
- High-wage jobs have declined in France in Germany; in Ireland and the UK, middle-wage jobs have dropped the most. Low-wage jobs are particularly weak in the UK
- Remote work has become widespread but reached a plateau in most countries.
- Employment expectations are generally below average; the Netherlands, Italy, and Spain buck the trend.
- While wage growth varies strongly across Europe, it is generally down from post-pandemic highs in most nations.
- Salary transparency in job postings stagnates ahead of incoming legislation in Europe.

The decline in job postings is levelling off in some European countries

Indeed Job Postings Index (100 = 01 Feb 2020), seasonally adjusted, to 09 Jan 2026

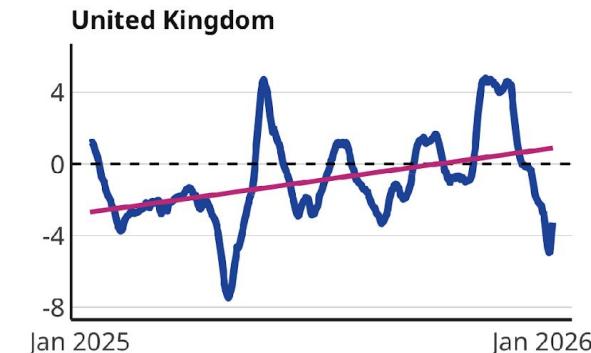
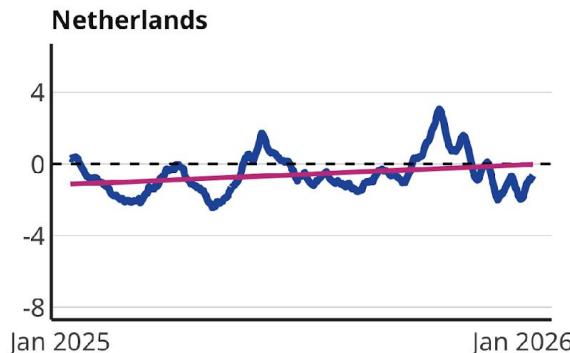
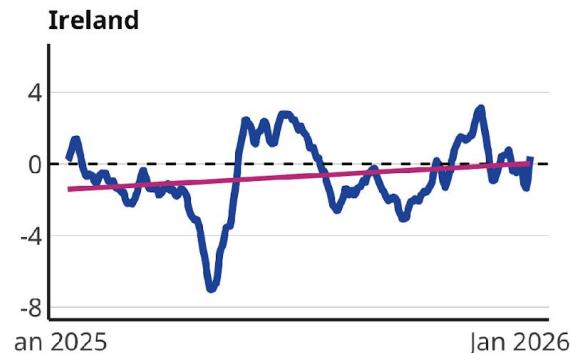
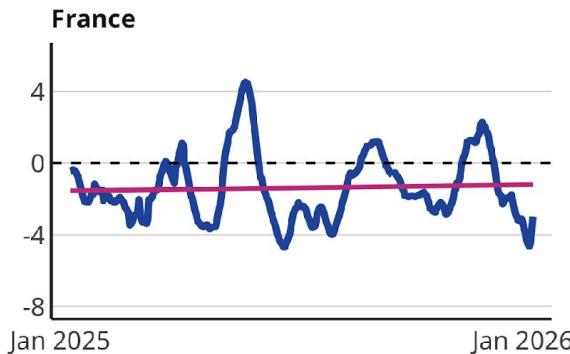
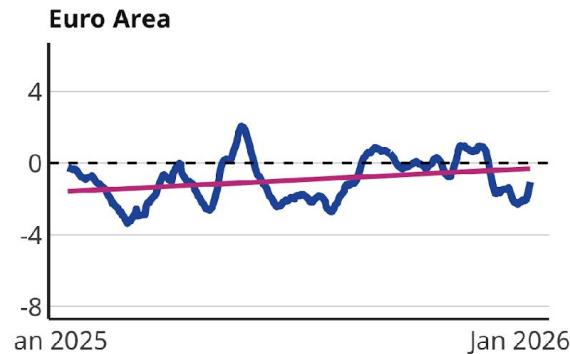


Source: Indeed

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Job growth remains negative, though the decline has eased

Month-on-month growth rates in the Indeed Job Postings Index, seasonally adjusted, 09 Jan 2025 - 09 Jan 2026

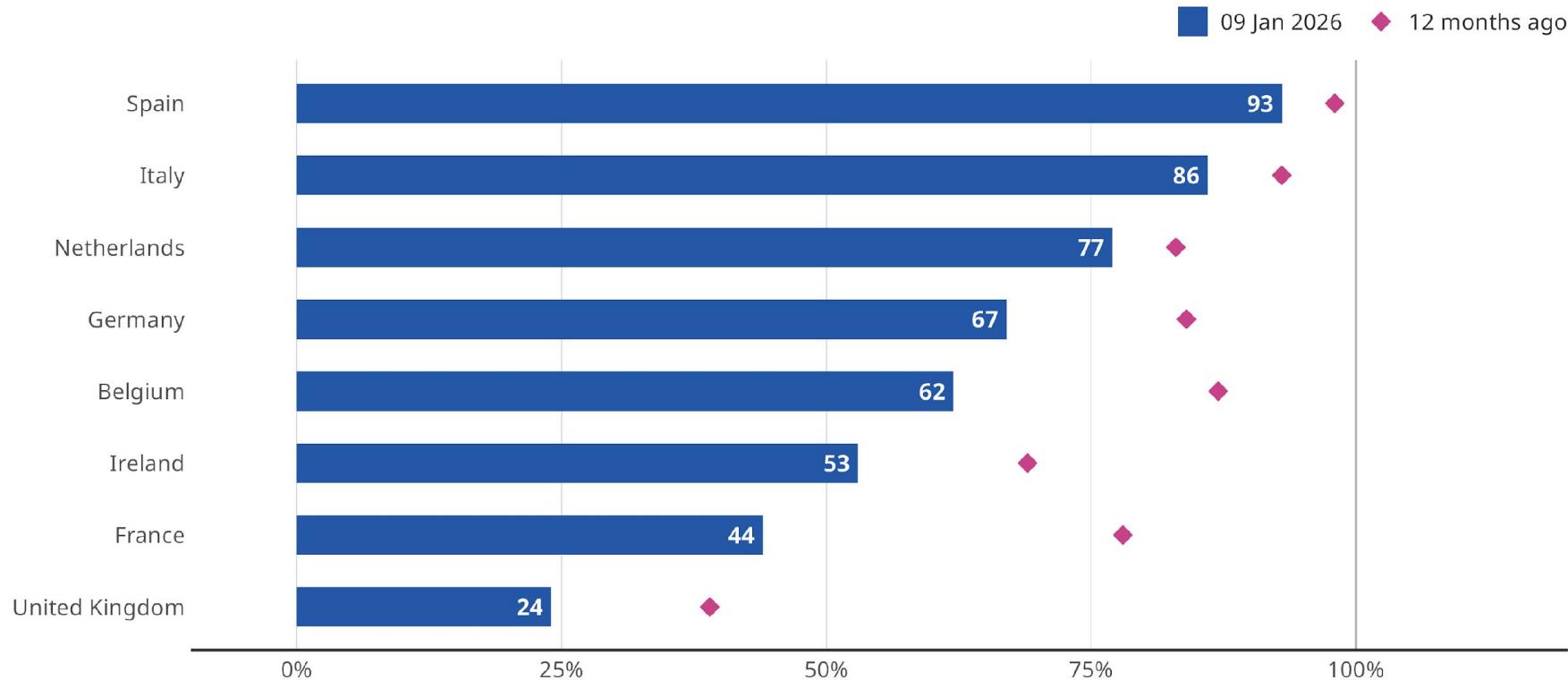


Source: Indeed

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The share of occupations with elevated job postings continues to decline

Share of occupational categories with postings above the pre-pandemic baseline (01 Feb 2020)

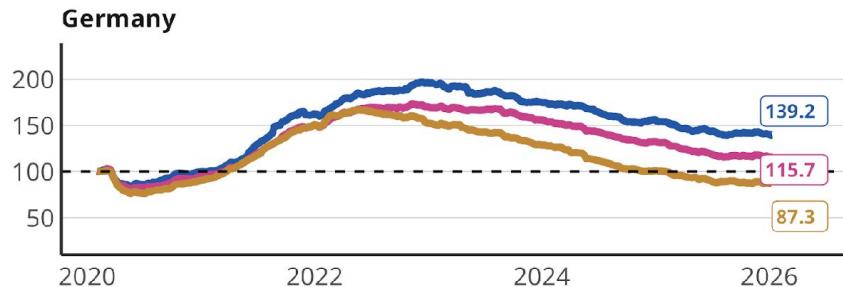


Source: Indeed

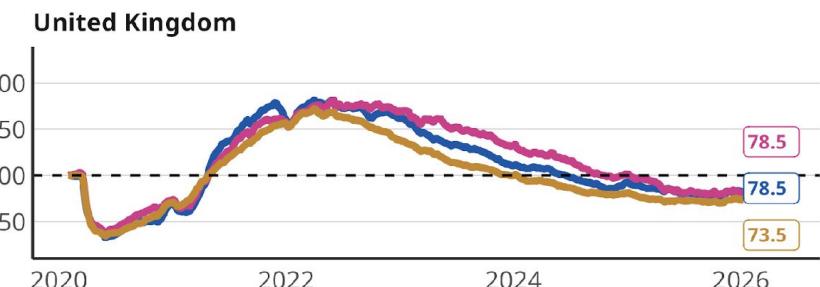
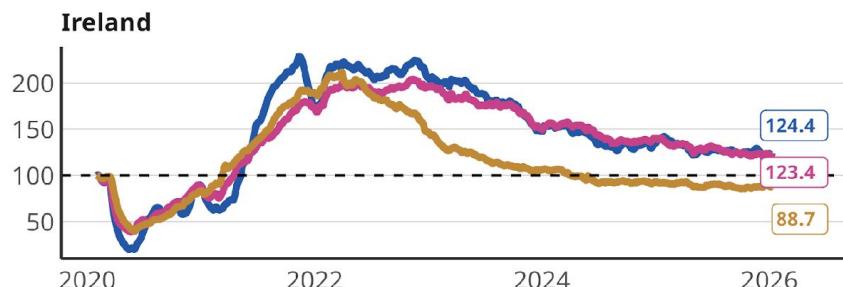
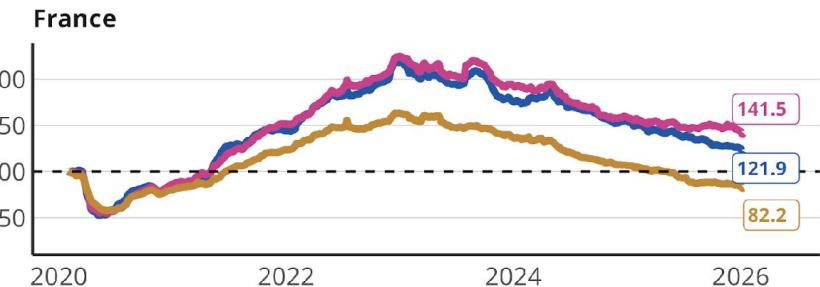
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Postings are weakest in high-remote sectors

Index 100 = Feb 2020, seasonally adjusted, to 09 Jan 2026



low-remote middle-remote high-remote

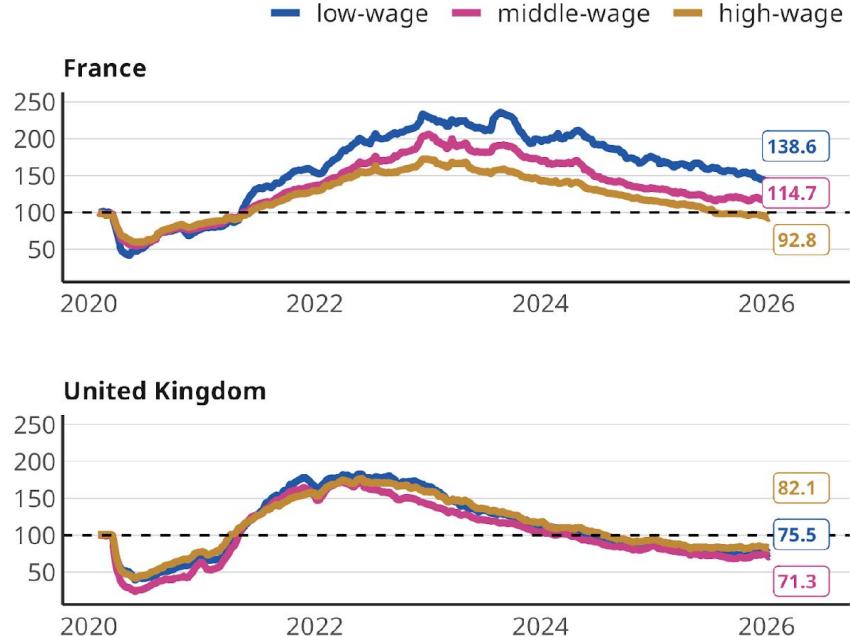
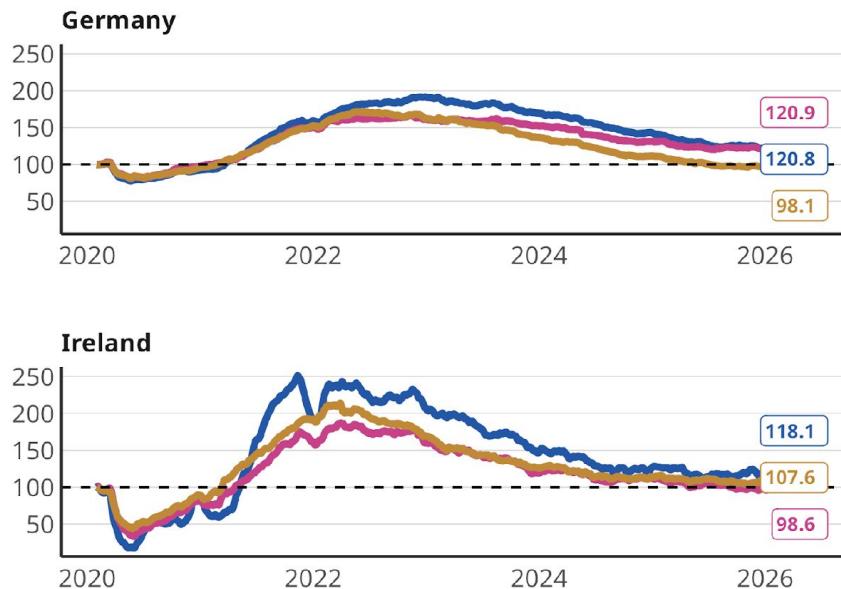


Source: Indeed

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Demand for high-wage jobs declined in France and Germany, while middle-wage jobs fell most in Ireland and the UK

Index 100 = Feb 2020, seasonally adjusted, to 09 Jan 2026

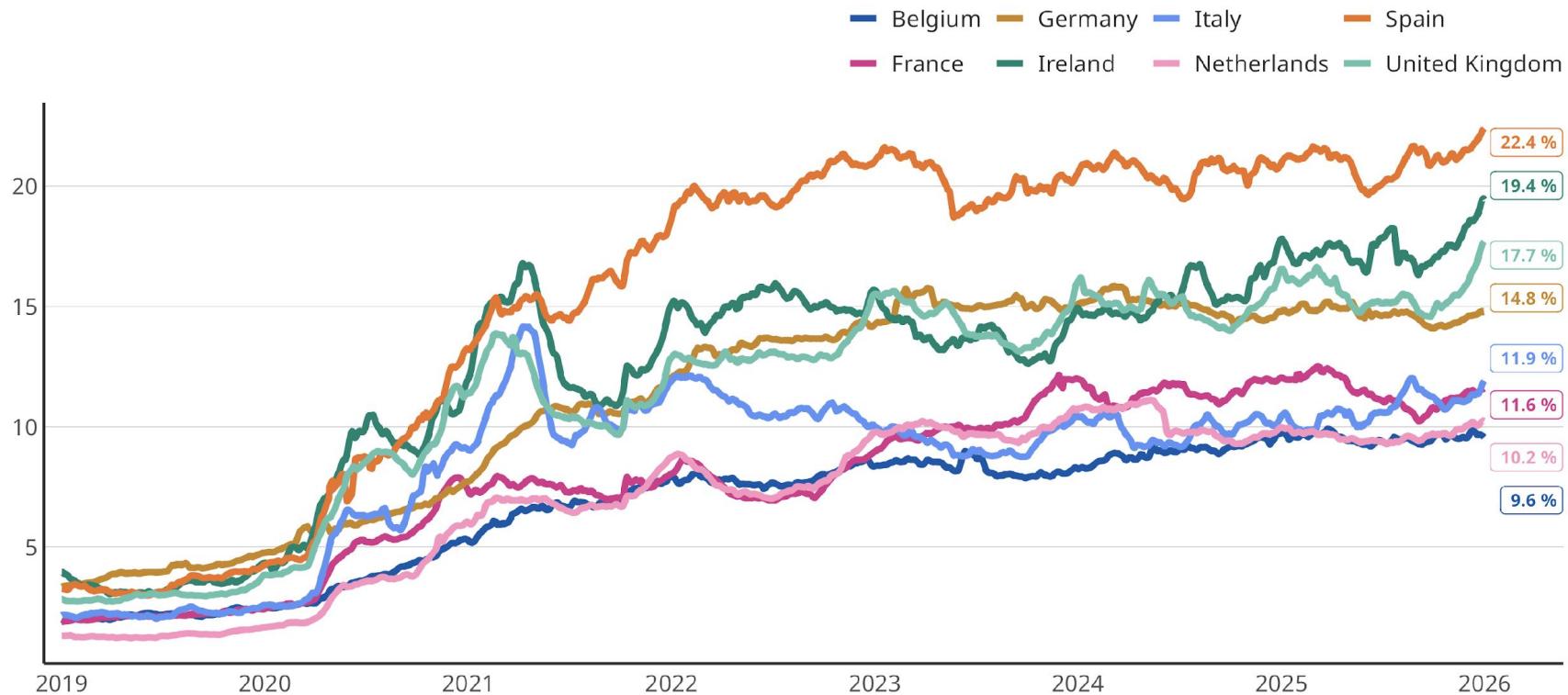


Source: Indeed

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Incidence of remote work shows strong cross-country differences

Share (%) of job postings mentioning remote/hybrid terms, to December 2025

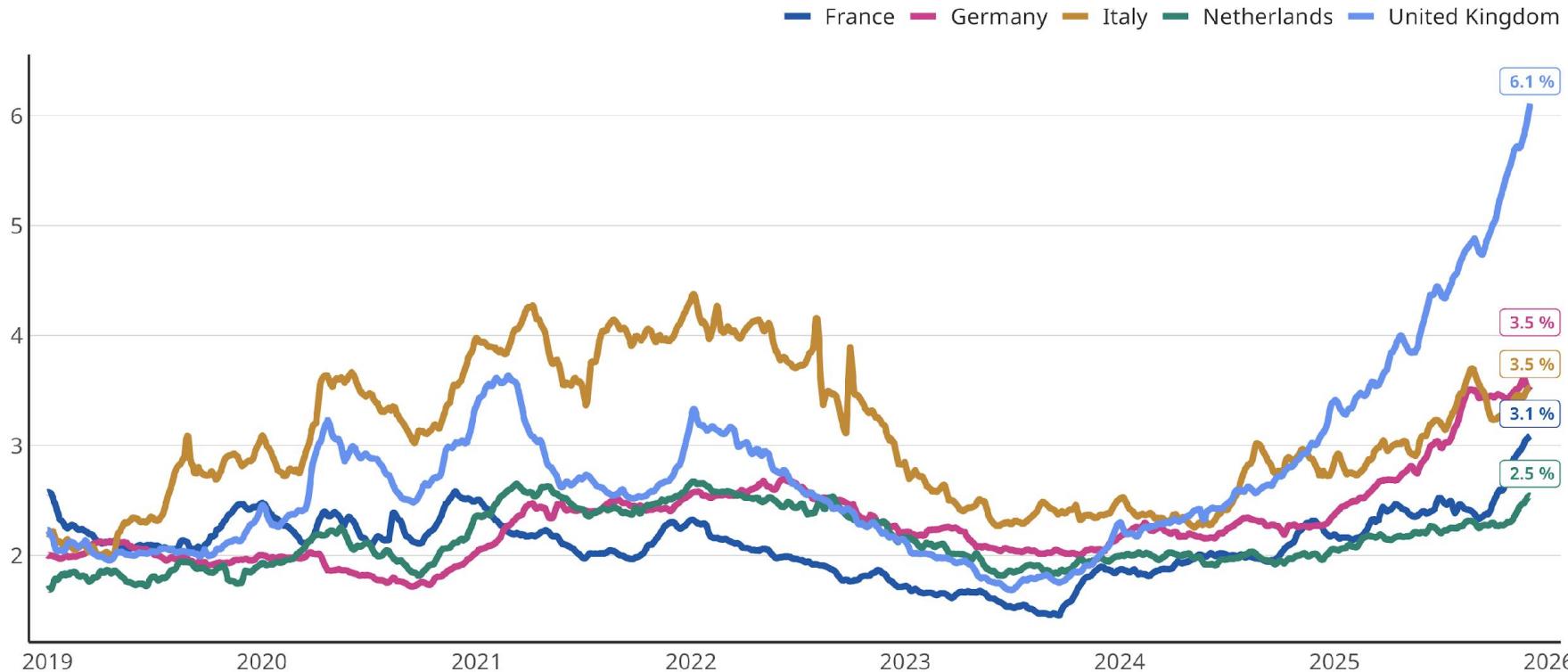


Source: Indeed. Cross-country level differences are partly due to differences in sector composition.

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The share of AI jobs in the labor market is steady but subject to volatility

Percentage (%) of job postings containing AI terms, 7-day moving average, to Nov 2025



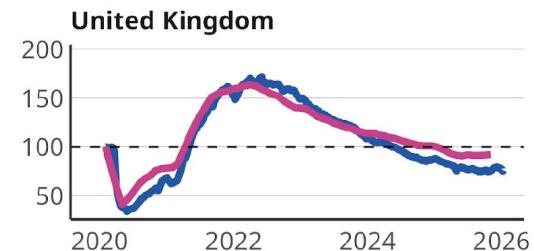
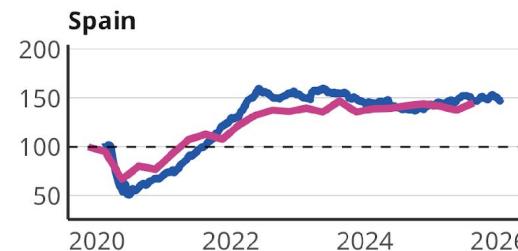
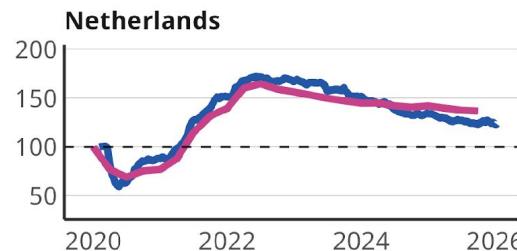
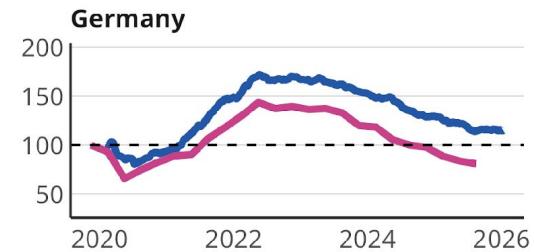
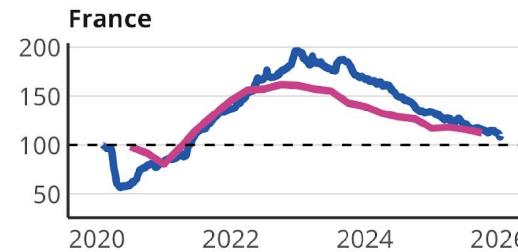
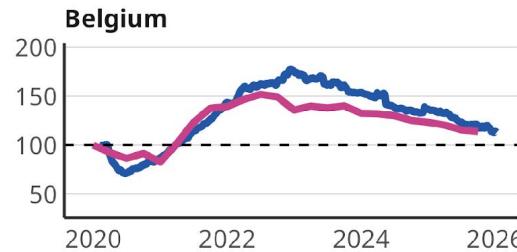
Source: Indeed. Cross-country level differences are partly due to differences in sector composition.

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Indeed job postings and official job vacancy data track each other well

Seasonally adjusted index, to 09 Jan 2026

— Indeed Job Postings — Job vacancies



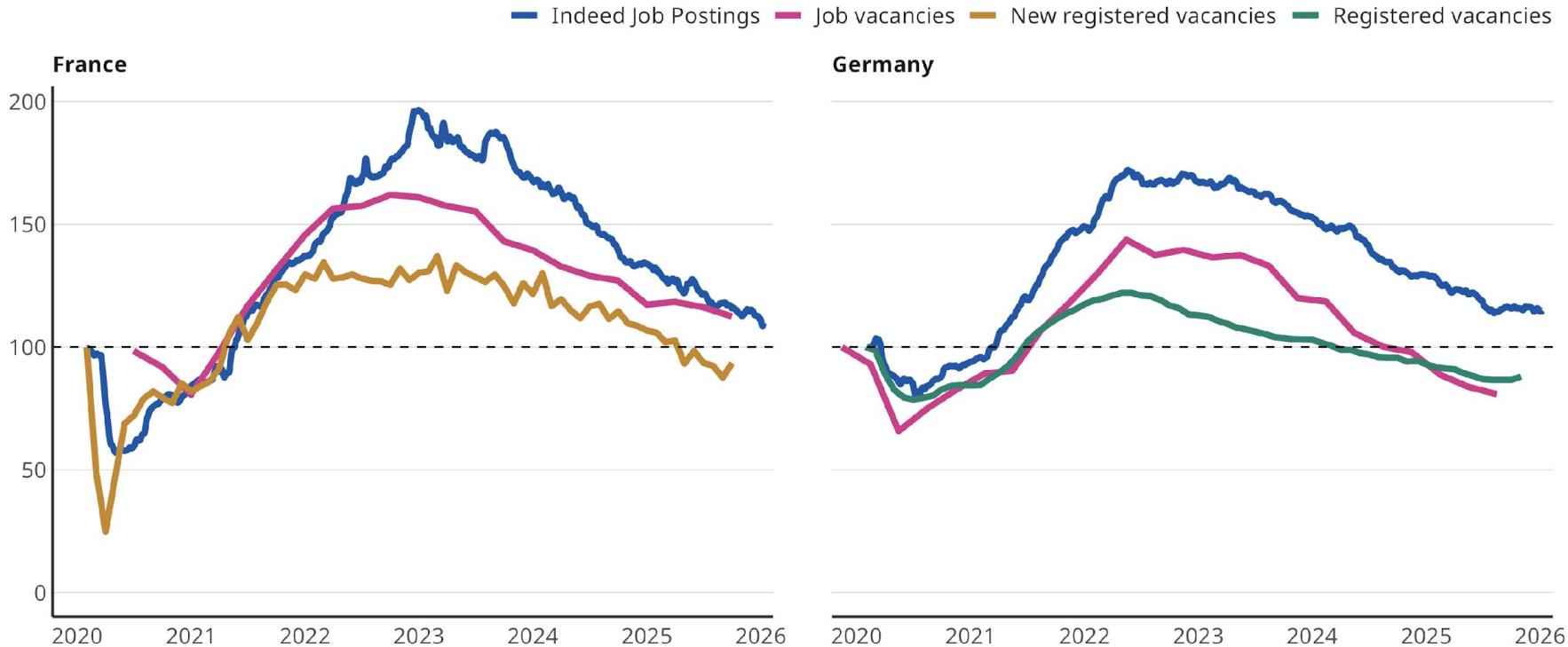
Source: Indeed, Eurostat (Germany, France, Spain, Ireland, Netherlands; quarterly data, to Q3 2025), ONS (United Kingdom; monthly data, to Nov 2025). Index 100 = Feb 2020 for Indeed and ONS data. Index = Q4 2019 for Eurostat data.

Missing value in French data for Q1 2020. Eurostat data is survey-based and refers to NACE-Rev. 2 sectors B-S (French data excludes sector O (public administration) as well as public jobs in P (education) and Q (human health/social work)).



Alternative measures of job vacancies show similar declining trends

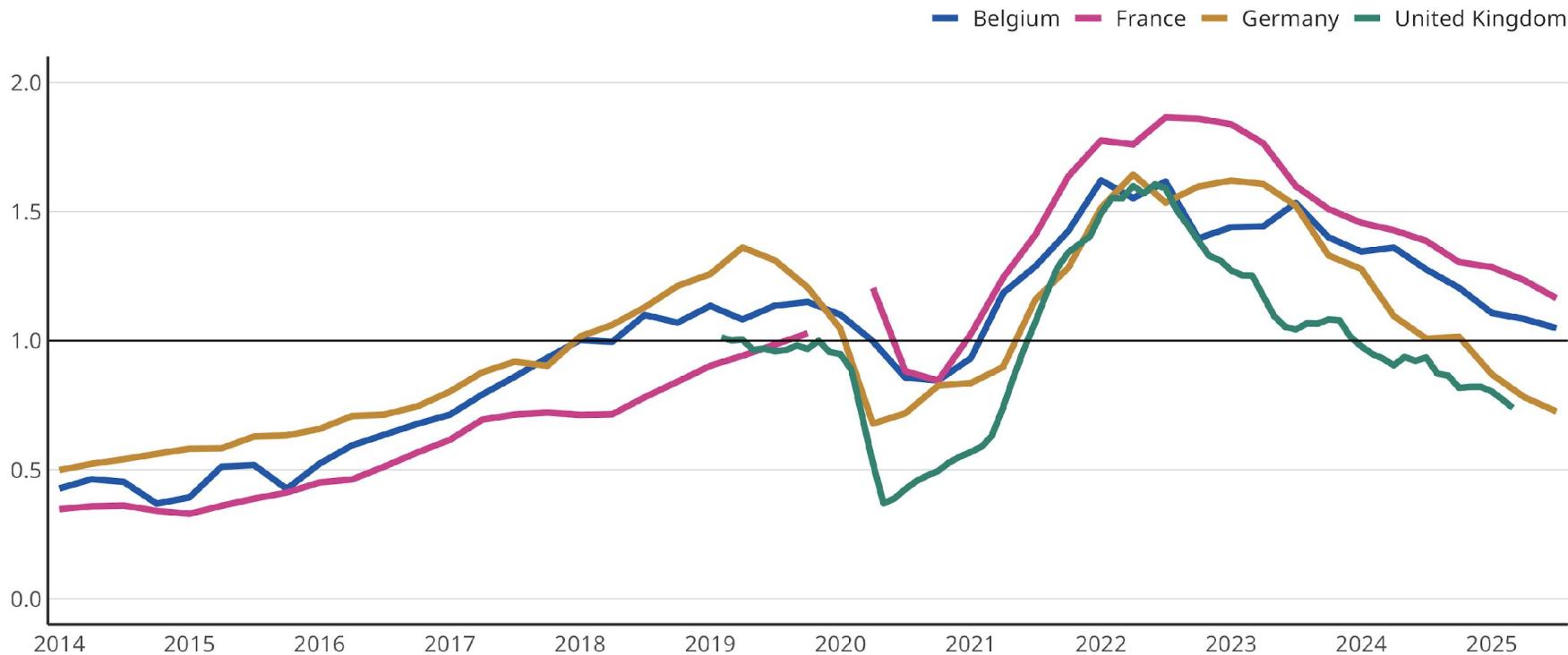
Indeed job postings and official vacancy data, seasonally adjusted, to 09 Jan 2026



Sources: Indeed, Eurostat (Job vacancies, quarterly data, to Q3 2025, missing value in French vacancy data for Q1 2020), OECD (Registered vacancies, monthly data, to Nov 2025). Index 100 = Feb. 2020 for Indeed and OECD data. Index = Q4 2019 for Eurostat data.

Labour markets are gradually loosening in several European economies

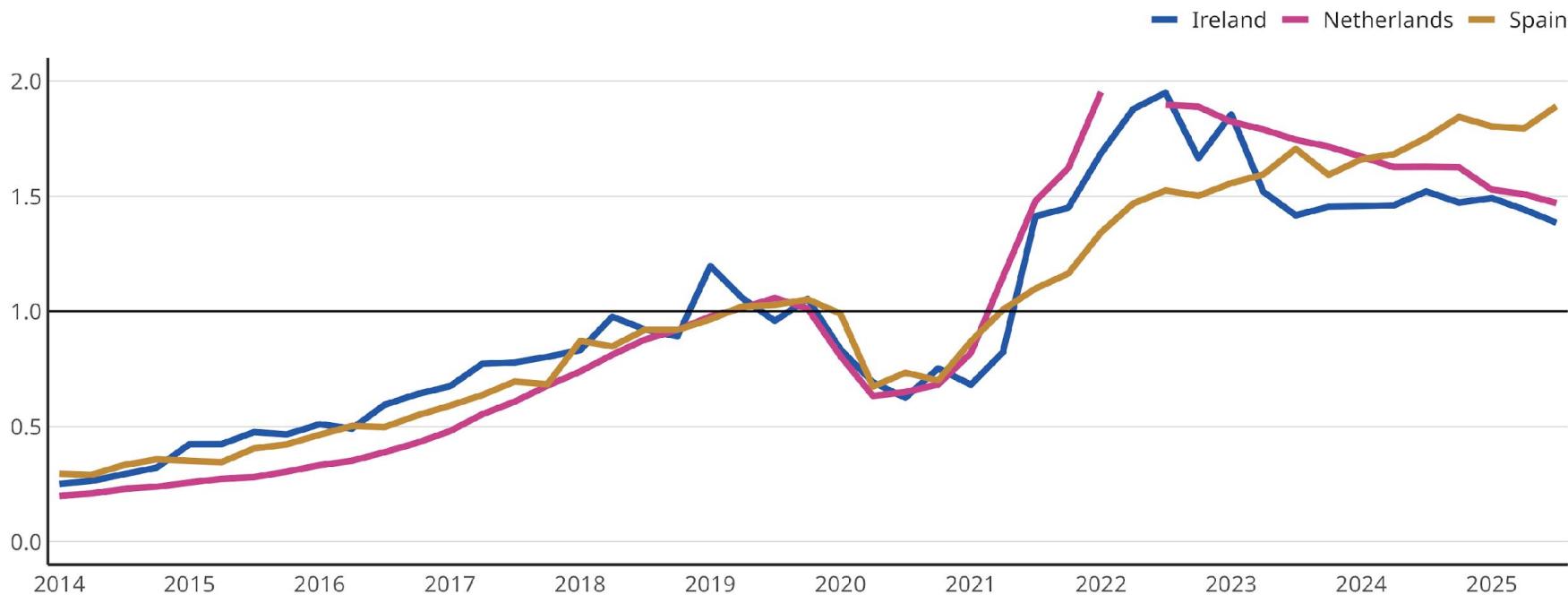
Vacancies per unemployment, normalised to their long-term mean, seasonally adjusted data, to Q3 2025



Sources: Eurostat, ONS. Tightness is normalised to its mean over the observed period. Unemployment among ages 15-74 (UK: 16-64). Vacancies from Eurostat refer to NACE-Rev.2 sectors B-S. Missing value in French vacancy data for Q1 2020.

Labour market tightness is still above its long-term average in several European economies

Vacancies per unemployment, normalised to their long-term mean, seasonally adjusted data, to Q3 2025



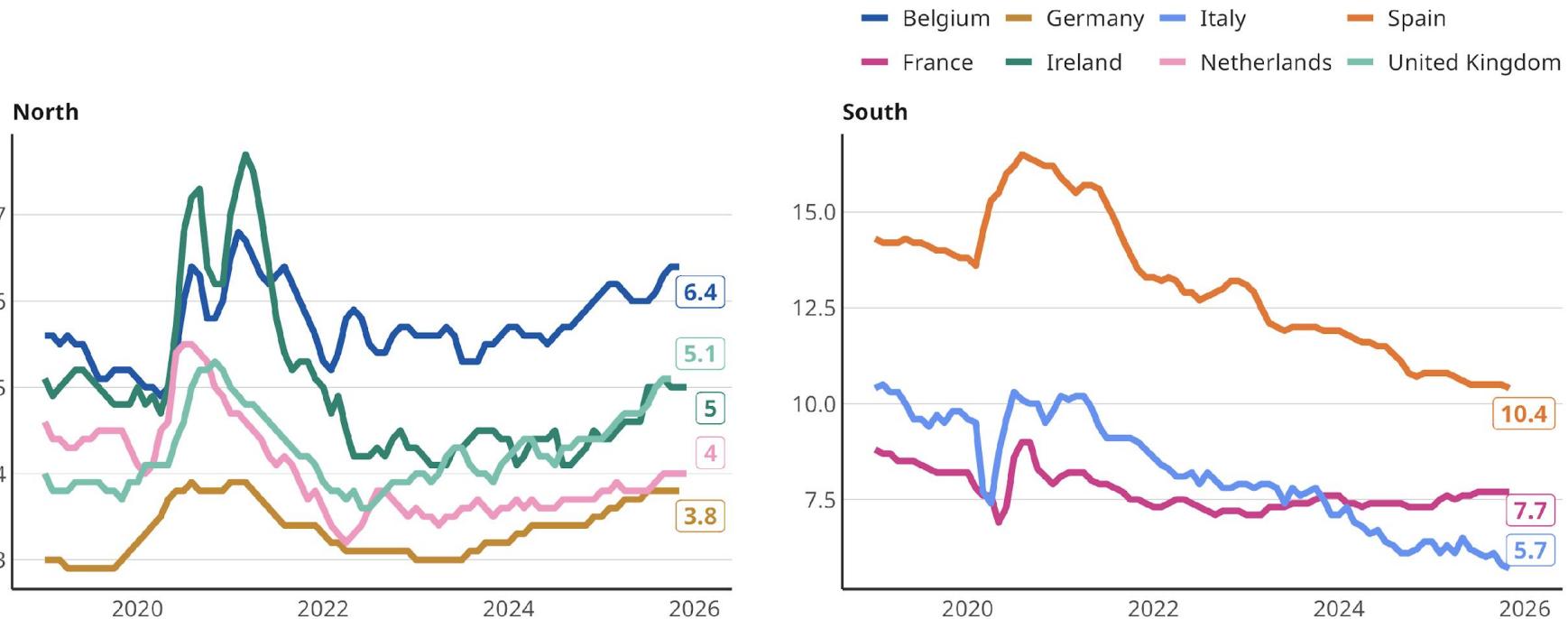
Sources: Eurostat. Tightness is normalised to its mean over the observed period. Unemployment among ages 15-74 (Spain: 16-74). Vacancies refer to NACE-Rev.2 sectors B-S.

For Italy, the number of vacancies is approximated by the vacancy rate referring to sectors B-S except O.

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Unemployment rates drifting slightly upwards in the North, levelling off at higher level in Southern Europe

Unemployment, in % of the labour force, Europe, Jan 2019 - Dec 2025

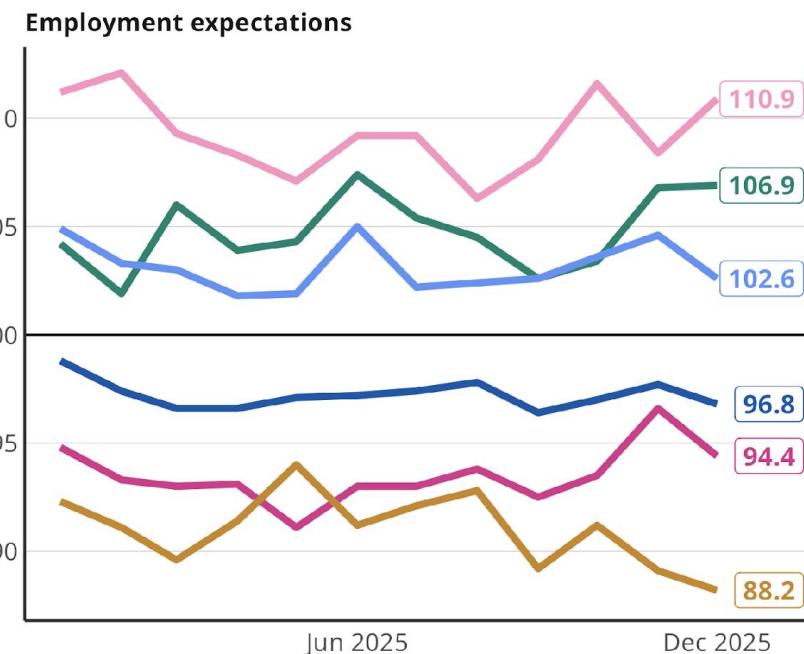
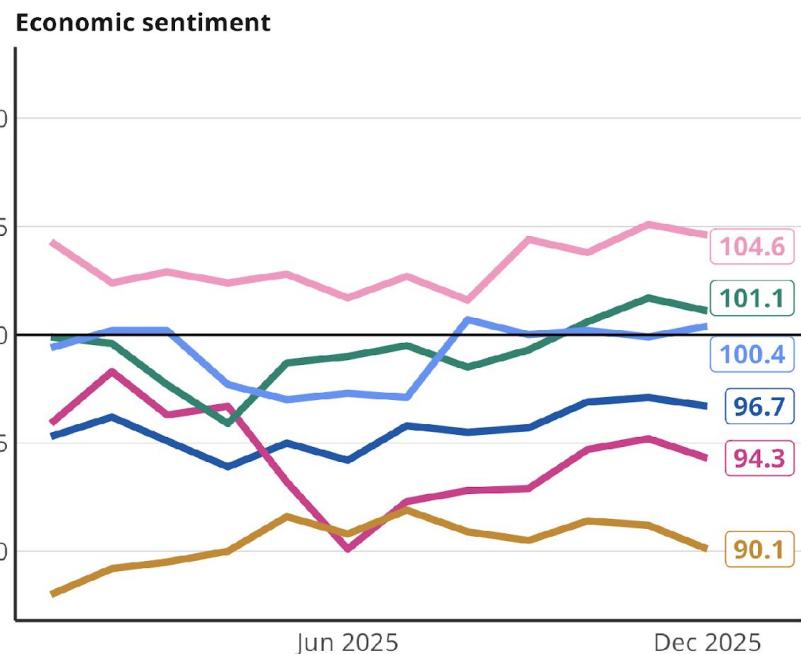


Sources: Eurostat, ONS. Seasonally adjusted unemployment rate among ages 15-74.
ONS data refers to ages 16-64, latest data: Oct 2025.

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Employment expectations: Italy, Spain, and the Netherlands buck the downward trend

Index (long-term average = 100), monthly data, to Dec 2025

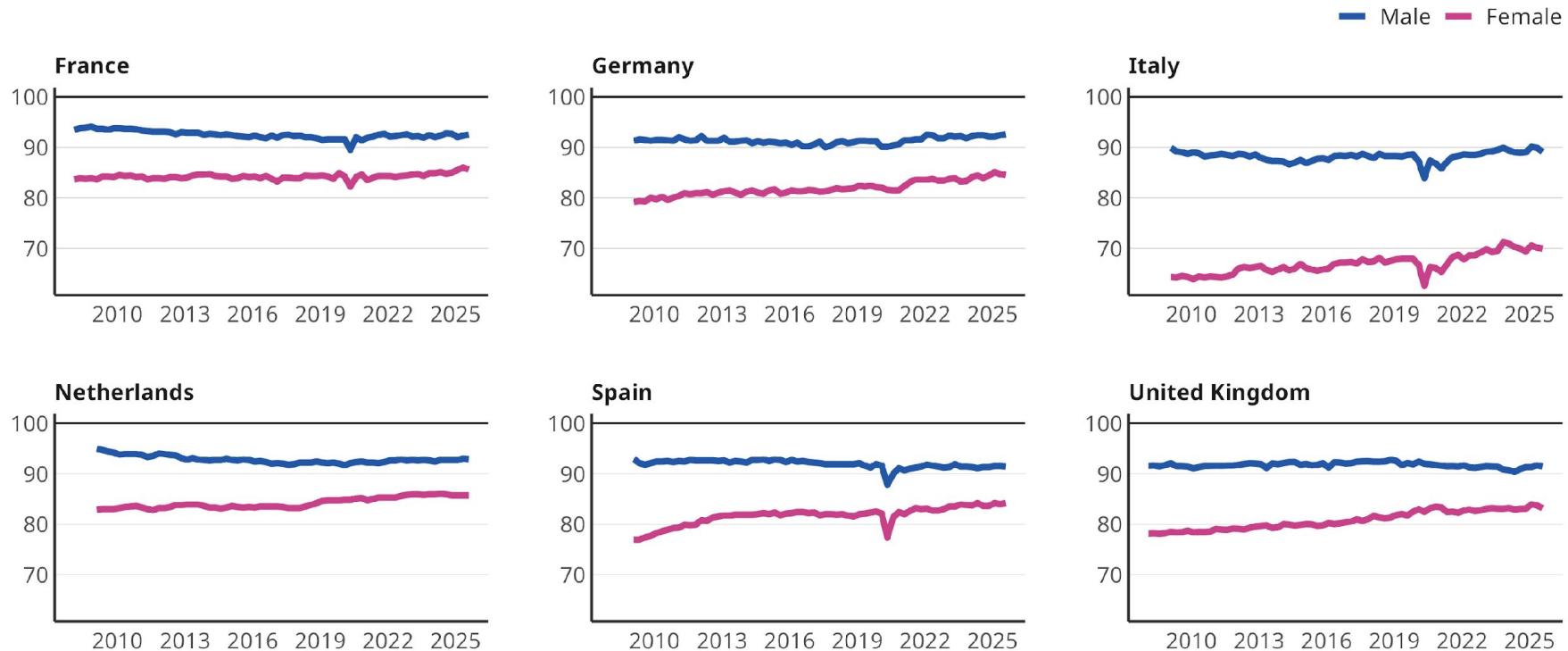


Source: Business and Consumer Survey, European Commission. Seasonal adjustment and calculation of long-term average by the publisher.

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Women's labour force participation is slowly catching up to men's

Labour force participation rate by gender, in percent of the population aged 25-54, to Q3 2025

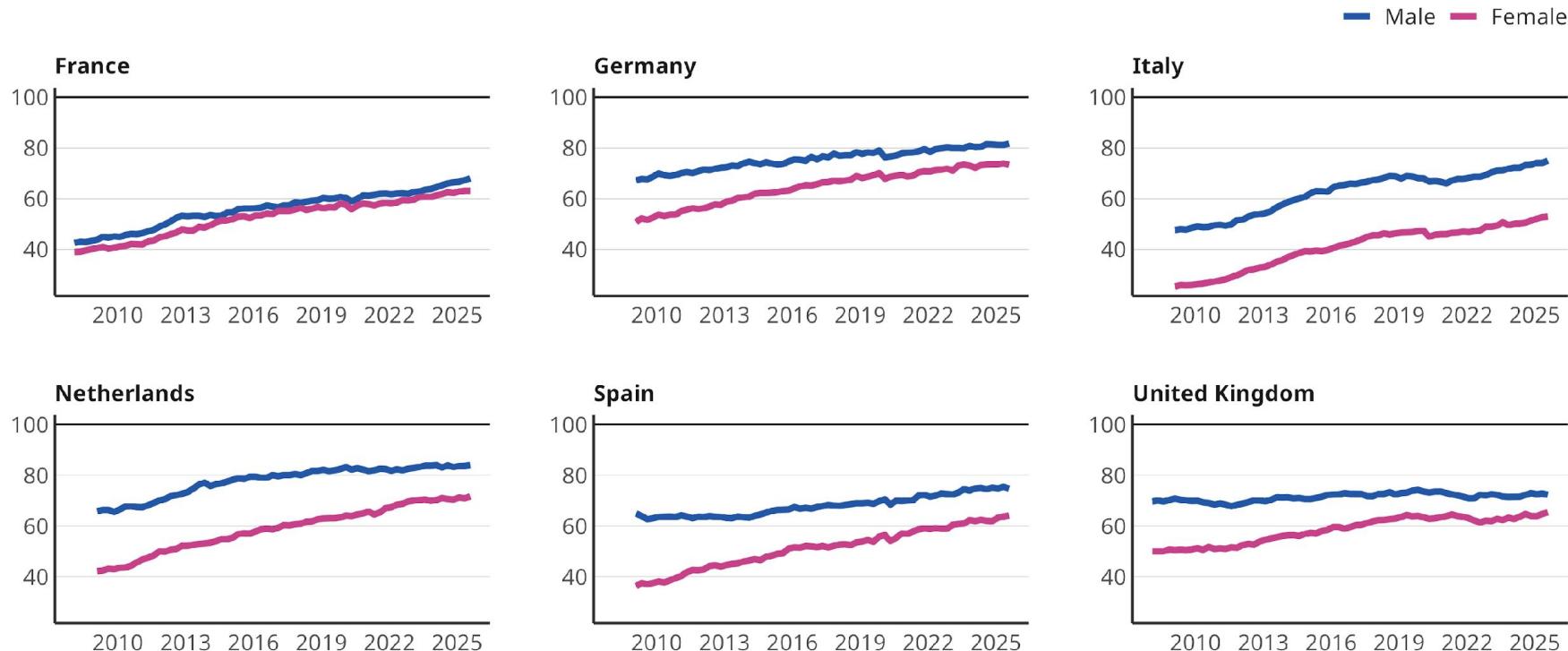


Sources: ILOSTAT (UK, to Q3 2025), Eurostat (EU countries, to Q3 2025). Seasonally adjusted.

Limited data availability due to break-corrected data from Eurostat with back estimates for 2009-Q1 to 2020-Q4 (except France).

Older workers participate at increasing rates with strong cross-country differences

Labour force participation rate by gender, in percent of the population aged 55-64, to Q3 2025

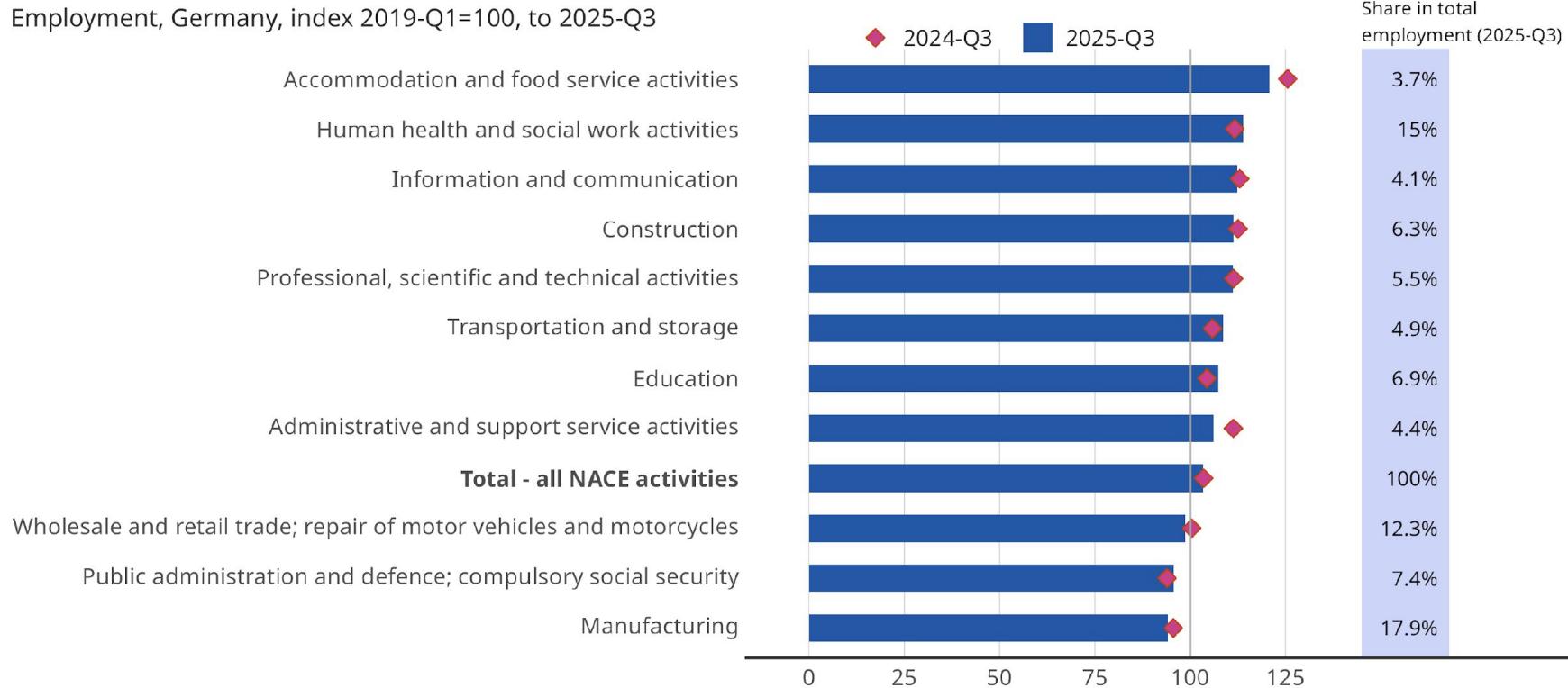


Sources: ILOSTAT (UK, to Q3 2025), Eurostat (EU countries, to Q3 2025). Seasonally adjusted.

Limited data availability due to break-corrected data from Eurostat with back estimates for 2009-Q1 to 2020-Q4 (except France).

Employment increases in Information & Communication and sectors providing essential societal services

Employment, Germany, index 2019-Q1=100, to 2025-Q3



Source: Eurostat. Unadjusted series, ages 15-74.

French knowledge economy sees rising employment figures

Employment, France, index 2019-Q1=100, to 2025-Q3

Accommodation and food service activities
Information and communication
Administrative and support service activities
Construction
Wholesale and retail trade; repair of motor vehicles and motorcycles
Professional, scientific and technical activities
Manufacturing
Education
Total - all NACE activities
Public administration and defence; compulsory social security
Human health and social work activities
Transportation and storage

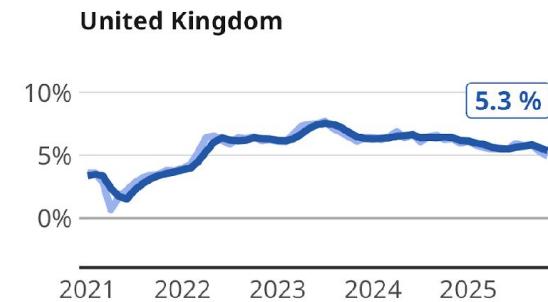
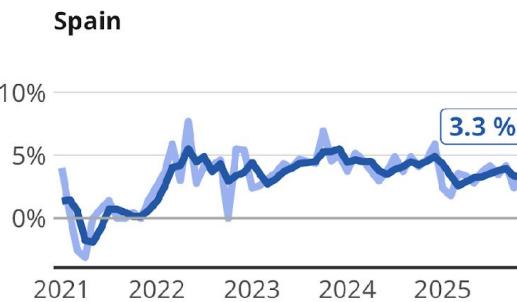
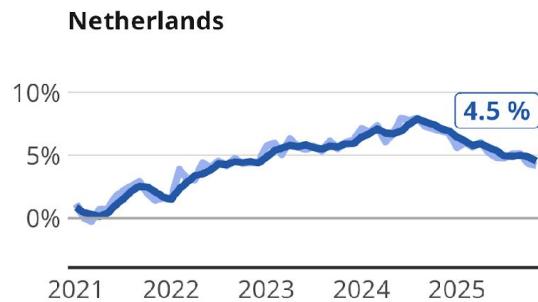
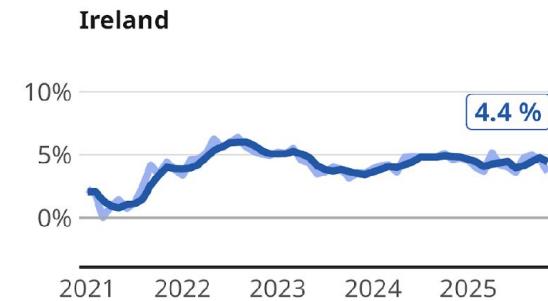
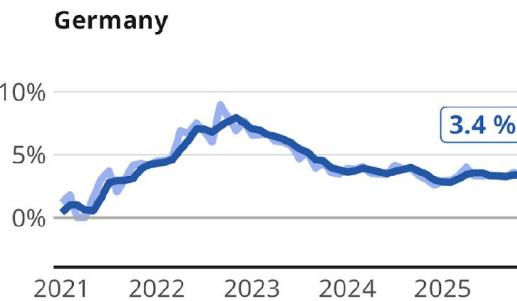
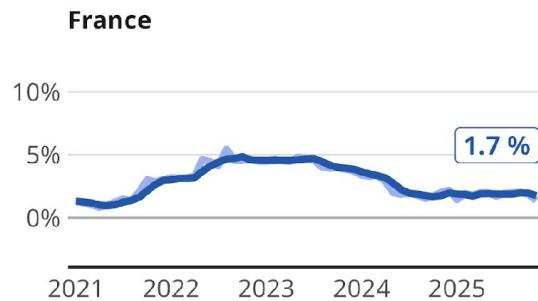


Source: Eurostat. Unadjusted series, ages 15-74.

Posted wage growth remains strong across Europe, but is fading in France and Germany

Y-o-y growth in posted wages, to Nov 2025

— Wage growth y/y — Wage growth y/y (3mo avg)



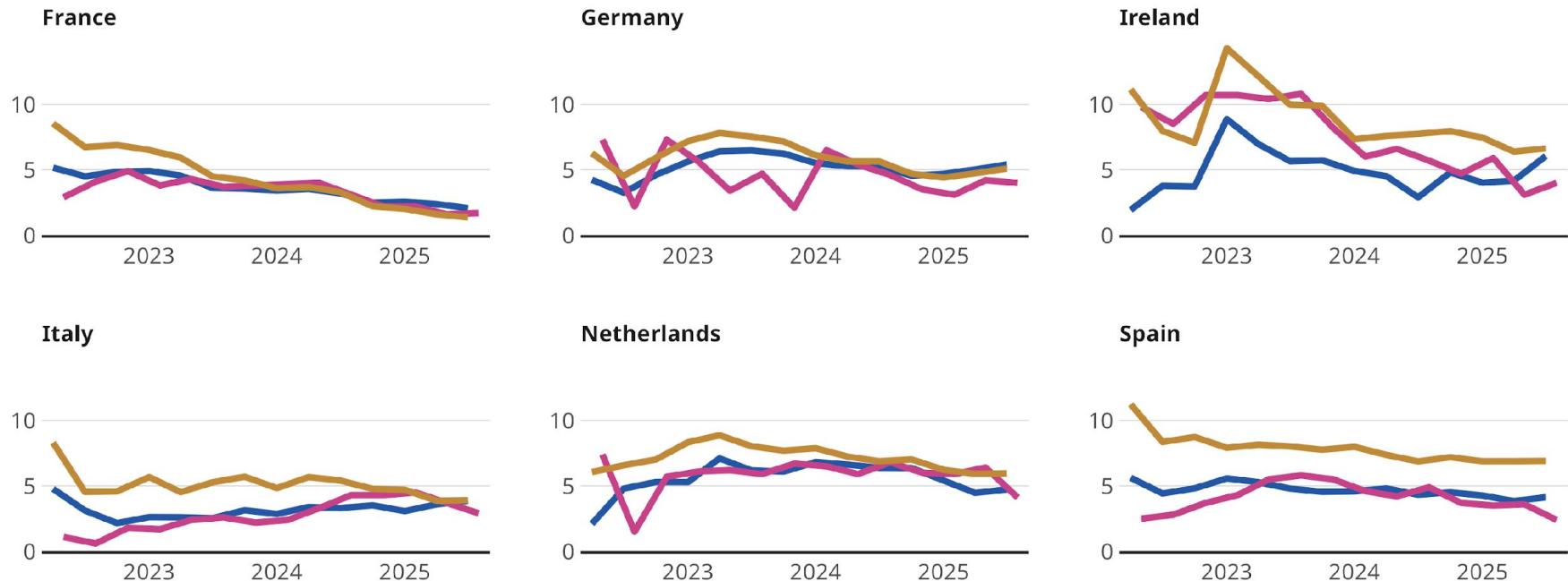
Source: Indeed Wage Tracker

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Wage growth patterns vary considerably across the EU

Y-o-y growth rates in labour compensation measures, to 2025-Q3

— Compensation per employee — Labour cost index — Wages and Salaries

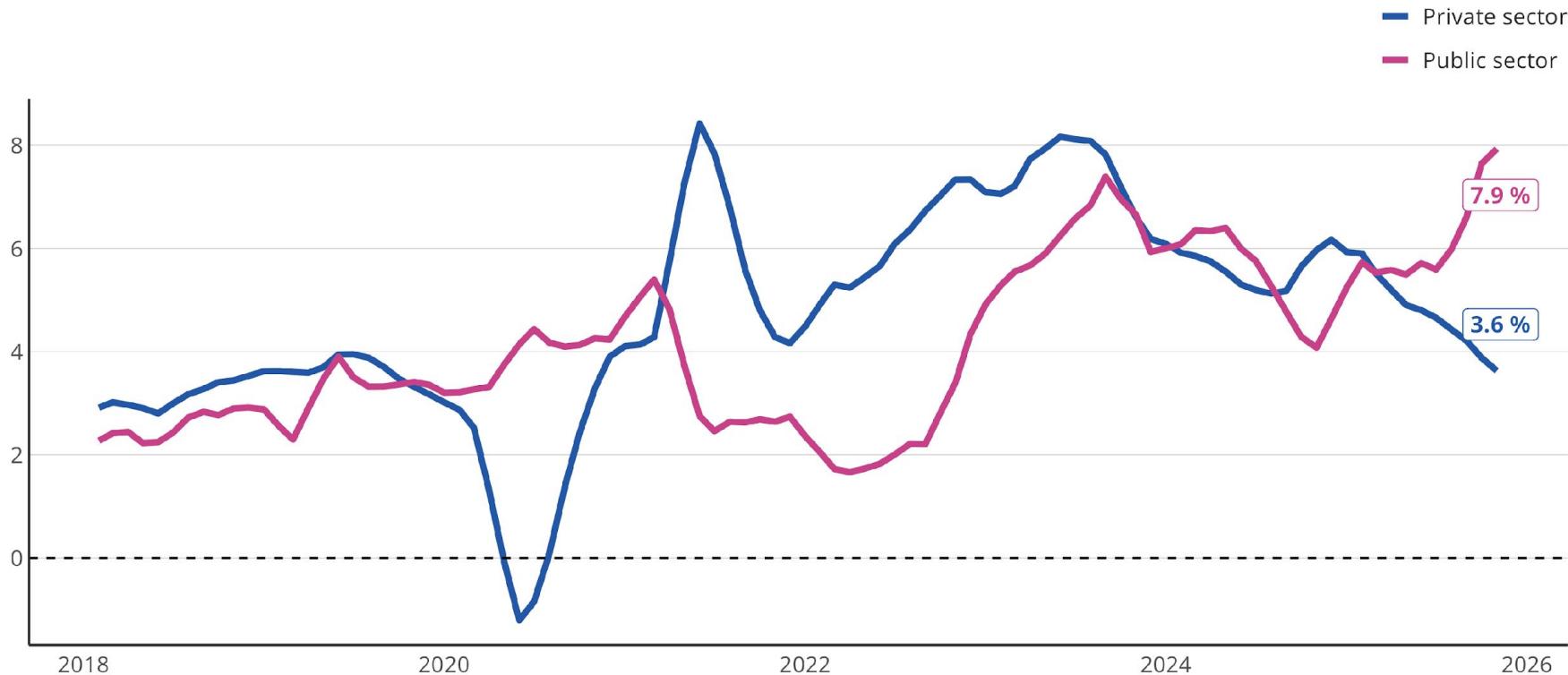


Sources: Eurostat (LCI refers to hourly compensation, including taxes and subsidies; NACE-Rev. 2 B-S, seasonally and calendar adjusted), ECB (CPE, W&S; Total economy, German and French data are seasonally adjusted, the remaining countries are both seasonally and calendar adjusted.)

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United Kingdom: growth in average weekly earnings remains strong

Year-on-year growth rates in regular pay, seasonally adjusted, to November 2025

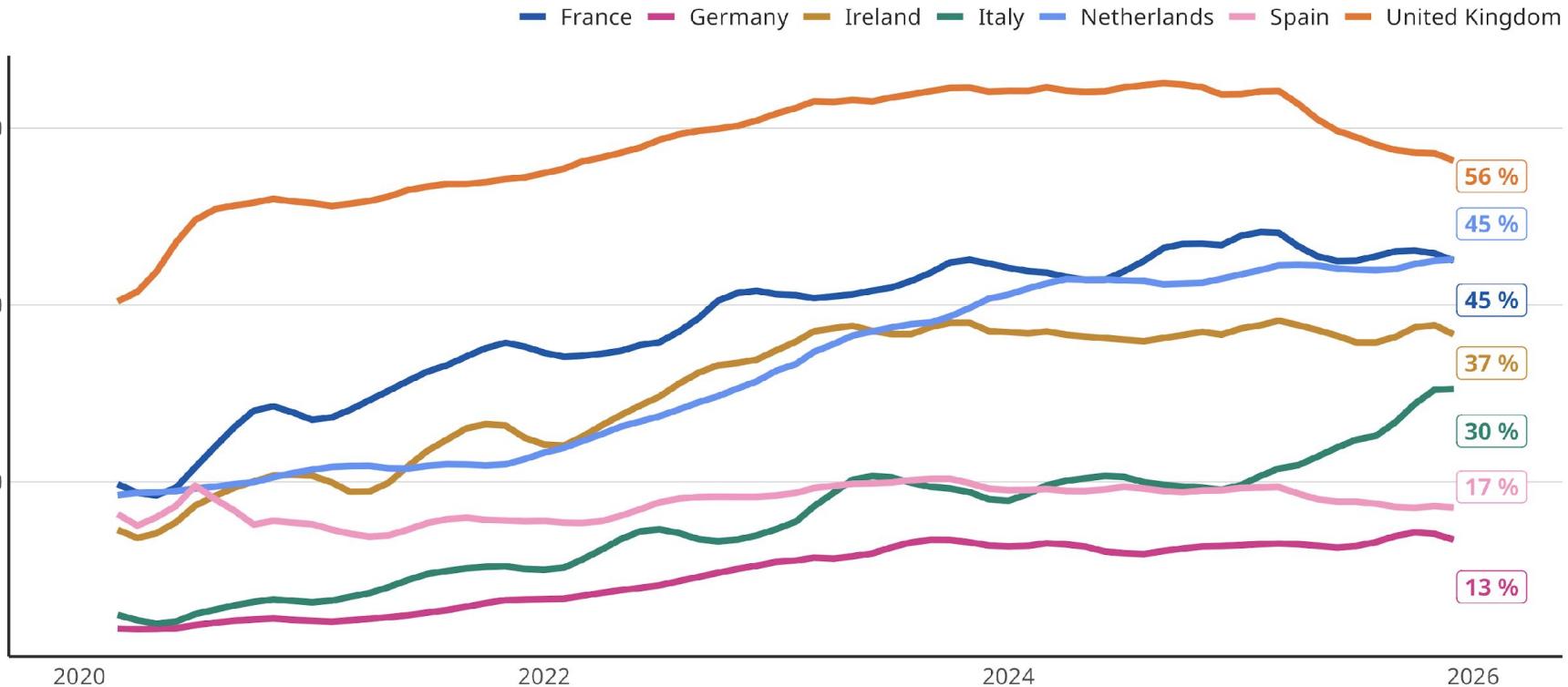


Source: ONS.

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Salary transparency has stalled ahead of incoming legislation

Share of postings containing salary information, 3-month rolling average, to December 2025



Source: Indeed

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→ hiringlab.org

→ data.indeed.com